

**TESTIMONY PRESENTED TO THE FINANCE, REVENUE AND BONDING  
COMMITTEE  
March 2, 2009**

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Testimony Regarding Various Bills Under Consideration

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Senator Daily, Representative Staples and distinguished members of the Finance, Revenue and Bonding Committee, thank you for the opportunity to offer testimony on certain specific bills you are considering today that we would like to address.

**S.B. No. 935 (RAISED) - AAC A PROPERTY TAX EXEMPTION FOR MACHINERY AND EQUIPMENT IN MOBILE MANUFACTURING OPERATIONS.**

We are OPPOSED to this bill because it will result in an indeterminate increase in the state's reimbursement of municipal revenue loss.

**S.B. No. 996 (RAISED) - AA ESTABLISHING THE CONNECTICUT EMERGENCY ECONOMIC INVESTMENT COMMISSION.**

We are OPPOSED to this bill because it usurps the power of the Executive Branch by creating a separate "bond commission" for the next two years and that would increase indebtedness of the state by an additional \$1.0 billion along with a significant increase in debt service costs.

**S.B. No. 998 (RAISED) - AAC THE STREAMLINED SALES TAX PROJECT.**

This bill requires DRS to continue to monitor and evaluate the status of the streamlined sales tax project, make recommendations regarding Connecticut's participation in the project, and to report on such matters to the Finance Committee by September 1, 2009. We SUPPORT this bill.

**S.B. No. 999 (RAISED) - AAC THE MOTOR VEHICLE FUELS TAX AND FUNDING FOR RAIL PROJECTS.**

We are OPPOSED to this bill because it results in a tax increase at a time when the residents of this state can not afford higher taxes.

**S.B. No. 1001 (RAISED) - AAC THE FUEL OIL CONSERVATION ACCOUNT.**

We are OPPOSED to this bill because it will increase fees to be paid by state residents at a time when the residents of this state can not afford higher fees.

H.B. No. 6556 (RAISED) - AAC FUNDING OF SCHOOL CONSTRUCTION PROJECTS.

We are OPPOSED to this bill because it potentially increases the cost of school construction and increases magnet school per pupil costs which are unbudgeted.

H.B. No. 6557 (RAISED) - AAC THE INCOME TAX AND THE ESTATE TAX.

We are OPPOSED to this bill because it will increase taxes to be paid by state residents at a time when the residents of this state can not afford higher taxes.

H.B. No. 6559 (RAISED) - AAC THE USE OF THE MASHANTUCKET PEQUOT AND MOHEGAN FUND FOR PROPERTY TAX RELIEF.

We are OPPOSED to this bill because it will result in a revenue loss to the general fund, especially in a time of already-lowered revenues.

H.B. No. 6561 (RAISED) - AAC MUNICIPAL REVENUE DIVERSIFICATION.

We are OPPOSED to this bill because it increases taxes, especially at a time when state residents can not afford higher taxes, extends state-collected tax types to municipalities, and would permit differential property tax rates. Further, this could complicate the state's move to join the Streamlined Sales Tax Project, mentioned in SB 998, if it is determined that such a move is in the state's best interest in the future.

I would like to again thank the committee for the opportunity to present this testimony. I respectfully request the Committee consider our position, and I will be happy to answer any questions you may have.